



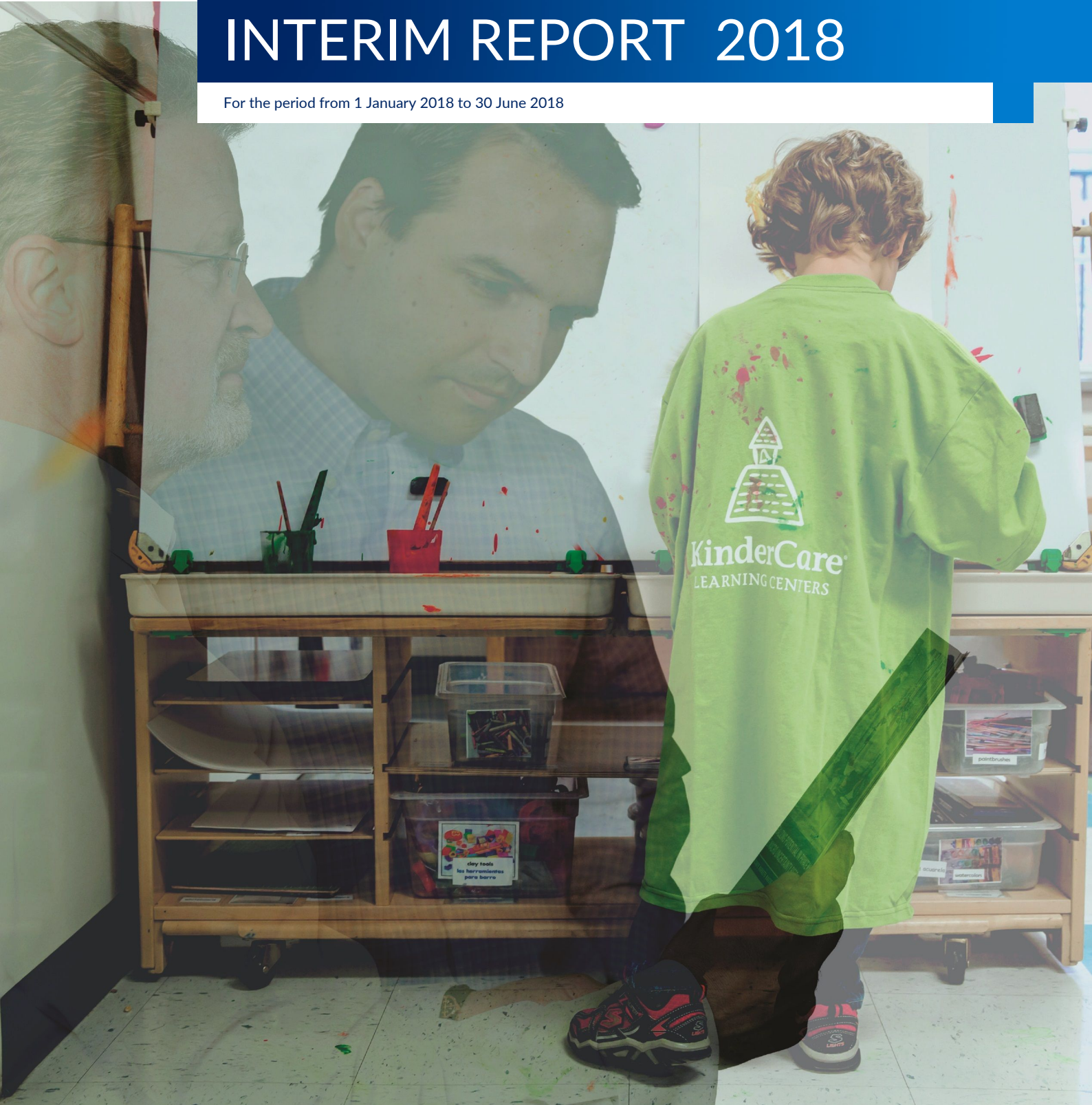
Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

PRINCESS PRIVATE EQUITY HOLDING LIMITED

INTERIM REPORT 2018

For the period from 1 January 2018 to 30 June 2018



Princess Private Equity Holding Limited

Princess Private Equity Holding Limited ("Princess" or the "Company") is an investment holding company domiciled in Guernsey that invests in private equity and private debt. The Company, advised by Partners Group, mainly invests directly but also holds primary and secondary fund investments.

Princess aims to provide Shareholders with long-term capital growth as well as an attractive dividend yield. The shares are traded on the Main Market of the London Stock Exchange.

This document is not intended to be an investment advertisement or sales instrument; it constitutes neither an offer nor an attempt to solicit offers for the product described herein. This report was prepared using financial information contained in the Company's books and records as of the reporting date. This information is believed to be accurate but has not been audited, reviewed or approved by any third party. This report describes past performance, which may not be indicative of future results. The Company does not accept any liability for actions taken on the basis of the information provided. Please consult the constituent documents for a more complete description of the terms.

Cover image is for illustrative purposes only.

Key figures

| In EUR | 31 December 2017 | 30 June 2018 |
|---|------------------|--------------------|
| Total fund size | 742'045'291 | 765'088'852 |
| NAV per share | 10.73 | 11.06 |
| Total dividend per share | 0.56 | 0.28 |
| Share price | 10.58 | 10.05 |
| Discount | -1.4% | -9.2% |
| Cash and cash equivalents | 97'415'855 | 85'915'996 |
| Credit line used | 0 | 0 |
| Value of investments | 653'584'982 | 689'751'984 |
| Unfunded commitments | 119'213'044 | 112'645'391 |
| Investment level | 88.1% | 90.2% |
| Net current assets | 88'460'309 | 75'336'867 |
| Over-commitment ratio | 4.1% | 4.9% |
| Over-commitment ratio incl. credit line | -2.6% | -1.7% |

Past performance is not indicative of future results. There is no assurance that similar investments will be made nor that similar results will be achieved.

Net current assets: as per reporting date, calculated based on net asset value less total investments at fair value through profit or loss.

Over-commitment ratio incl. credit line: as per reporting date, calculated as unfunded commitments less (i) net current assets and (ii) undrawn credit facility, all divided by net asset value.

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1. Investment Advisor's report

NAV total return of 5.7% in the first half of 2018

The net asset value ("NAV") of Princess Private Equity Holding Limited ("Princess") reached EUR 11.06 per share at the close of the reporting period, up 3.1% in the half year. Princess paid a first interim dividend of EUR 0.28 per share, and thus achieved a total return of 5.7% over the first half of 2018.

Valuation developments (+7.5%) were responsible for the bulk of NAV growth. The largest contributors to Princess' NAV growth over the second quarter were the direct investments in Ceridian Corporation, Permotto International Learning ("Permotto") and Varsity Brands:

● CERIDIAN CORPORATION

In April 2018, Ceridian Corporation, a global provider of outsourced processing services, completed its IPO on the New York Stock Exchange, raising USD 531 million with 24.1 million shares of common stock priced at USD 22.00 per share, above the filing range of USD 19.00 - 21.00 per share. The stock closed at USD 33.19 as of 29 June 2018, resulting in a significant uplift over the quarter. Meanwhile, Ceridian reported solid financial results for the quarter ended 31 March 2018. Total revenue increased driven by strong sales of its flagship cloud human capital management platform, Dayforce. At the same time, EBITDA increased on the back of robust top-line growth and margin expansion.

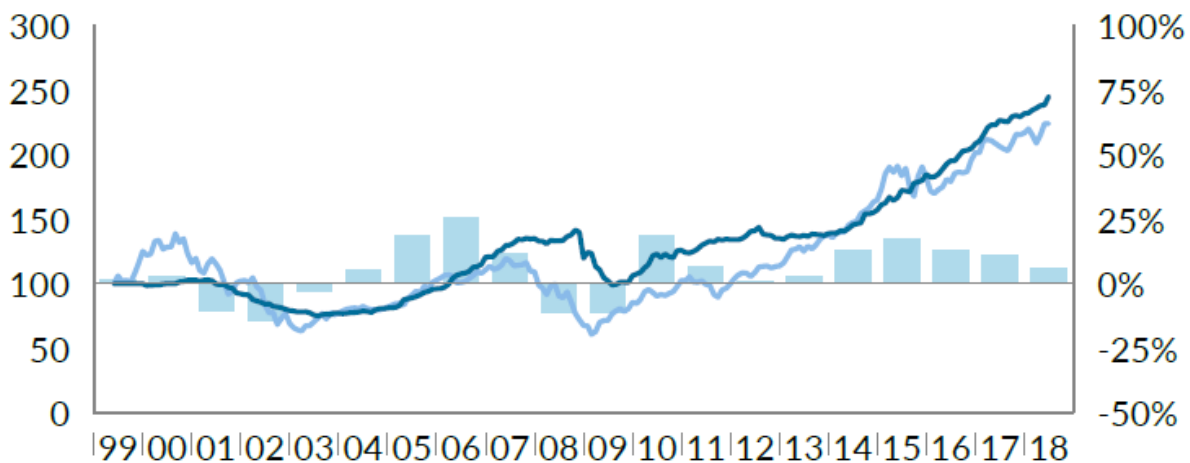
● PERMOTTO

Permotto, an investment vehicle formed to create a leading international schools group through a "buy and build" strategy, was positively revalued reflecting an increase in EBITDA driven by M&A activity. During the first half of 2018, the group continued to grow via the acquisition of schools in the UK, Costa Rica and Spain. Since Partners Group's initial investment in October 2013, Permotto has built a platform of 32 schools across nine countries, and continues to work on an active pipeline of potential acquisitions.

● VARSITY BRANDS

Varsity Brands, a US-based manufacturer and distributor of sports and affinity products to the K-12 and collegiate student market, was written up over the second quarter of 2018 to reflect its sale to Bain Capital. The exit valuation represents an uplift of over 80% compared to Varsity's carrying value as of 31 May 2018. Princess will receive proceeds of approximately EUR 9.7 million following the closing of the transaction. Since the initial investment in December 2014, Partners Group has helped the BSN Sports and Varsity Spirit business segments expand their market share by completing numerous add-on acquisitions. Varsity Brands also launched the corporate IMPACT program, which leverages existing product expertise and customer networks to drive cross-selling across business segments.

NAV PERFORMANCE (SINCE INCEPTION)*



■ Princess ■ MSCI World TR ■ Performance (RHS)

* As per reporting date. The Princess performance is calculated on a total return basis.

Distribution activity (first six months)

| Investment | Exit (full or partial) | Strategy | Amount (EUR million) |
|--|------------------------|----------|----------------------|
| Trimco International | Full | Equity | 19.4 |
| VAT Group AG | Full | Equity | 12.4 |
| Action | Partial | Equity | 8.2 |
| Black Knight Financial Services | Partial | Equity | 5.2 |
| Varsity Brands | Partial | Equity | 2.7 |
| Legacy fund portfolio | | | 22.5 |
| Other | | | 12.7 |
| Total distributions for H1 2018 | | | 83.1 |

Distribution activity

Distributions from Princess' underlying portfolio totaled EUR 83.1 million for the first six months of 2018. EUR 60.6 million stemmed from direct investments with the balance of EUR 22.5 million from Princess' legacy fund portfolio, which continues to generate a high volume of exits from mature underlying portfolio companies.

The largest distribution from the direct portfolio over the second quarter was:

● COOPERATION PHARMACEUTIQUE FRANCAISE SAS

Princess realized its debt investment of EUR 3.6 million in Cooperation Pharmaceutique Francaise (Cooper). Based in France, the company manufactures and distributes a wide range of over-the-counter pharmaceutical products for therapeutic purposes such as coughs and colds, as well as accessories including thermometers. Princess provided debt financing to Cooper in 2016 in support of Charterhouse Capital Partners' acquisition of the company. During Princess' holding period, Cooper has grown its pan-European OTC medicine business through key acquisitions.

Investment activity (first six months)

| Investment | Strategy | Amount (EUR million) |
|--------------------------------------|----------|----------------------|
| Hearthside Food Solutions | Equity | 17.9 |
| SRS Distribution | Equity | 14.1 |
| Amann GIRRbach | Equity | 8.6 |
| SHL | Equity | 6.3 |
| Trimco International | Equity | 5.7 |
| Cerba HealthCare (Bio 7 add-on) | Equity | 1.6 |
| Liquid senior loans | Debt | 11.4 |
| Other | | 0.9 |
| Total investments for H1 2018 | | 66.5 |

Investment activity

In the first six months of the year, Princess invested a total of EUR 66.5 million. EUR 52.6 million was invested in five new direct equity investments (Hearthside Food Solutions, SRS Distribution, Amann GIRRbach, SHL and Trimco). In addition, a further EUR 13.9 million was invested in several direct debt and smaller direct equity investments.

The largest new investment this quarter was:

● HEARTHSTONE FOOD SOLUTIONS

In May, Princess invested EUR 17.9 million in Hearthside Food Solutions alongside Charlesbank Capital Partners. Hearthside is the largest independent bakery in the US. The company produces a broad range of high-quality nutrition bars, cookies, cereals and other baked foods and snacks for some of the world's premier food brands. Following the investment, Partners Group and Charlesbank will work closely with Hearthside's management team on a number of value creation initiatives. These will be focused on promoting organic growth by providing customers with an even wider range of innovative product solutions, executing select add-on acquisitions to further expand the business into adjacent industries and geographies, and optimizing existing manufacturing processes.

Share price development

After achieving a total return of 29.6% in 2017, Princess' share price slightly decreased over the latest six-month review period. The Company's share price total return performance was -2.3% over the first half of 2018.

Liquidity and unfunded commitments

During the first half of 2018, Princess' net liquidity position decreased to EUR 75.3 million. The Company's EUR 50 million revolving credit facility remained undrawn as of period end.

Total unfunded commitments at 30 June 2018 amounted to EUR 112.6 million. EUR 75.4 million of commitments related to Partners Group's direct investment programs, while commitments to third party funds amounted to EUR 37.2 million (predominantly pre-crisis vintages which, in the Investment Advisor's view, are unlikely to be called in full). In line with the strategy to focus on direct investments, no new third party fund commitments will be made.

Outlook

The record amounts of available capital and high prices for operating assets underpin an attractive exit environment. While the exit environment remains supportive, further realizations can be expected for the second half of the year, both from direct investments and Princess' mature legacy fund portfolio.

On the other side, the conditions for new investments remain challenging as the Investment Advisor sees quality assets trade for near-record multiples, mainly driven by high volumes of dry powder. In such an environment the Investment Advisor's focus remains on the identification of companies which offer opportunities for value creation. This value creation may take the form of platform building, where value can potentially be created through add-on investments to an existing portfolio company with a goal to build a resilient market leader. Next to platform investments, the Investment Advisor also concentrates on finding 'category winners' that are leaders in terms of growth potential, or niche leaders, not only with value creation potential but also with strong defensive capabilities. With transaction multiples at elevated levels in a historical context, an active approach to ownership is of increasing importance, and a greater proportion of future investment returns is expected to be generated from operational improvements.

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2. Market overview

Macroeconomic activity

The second quarter of 2018 was marked by numerous political events: the introduction of trade tariffs by the US administration, a disordered government formation in Italy, the removal of Spain's prime minister, political upheaval in Germany on the back of immigration policy and, on a positive note, the US-North Korea summit. The global economy continued marching ahead, posting another quarter of relatively strong activity.

In the US, growth is holding up, supported by the boost from tax cuts and a solid labor market. Inflation rose 0.5% year on year to 2.9% in June 2018, driven by higher gasoline prices and rising healthcare costs. Core inflation, which excludes volatile food and energy prices, increased 0.2% year on year to 2.3% in June. The Federal Reserve's tightening remained on course, as the target rate was lifted by another 25 basis points to a target band of 1.75 - 2.0%. At the same time, the central bank continues to reduce its balance sheet.

Growth across the Eurozone eased as purchasing manager indices point towards a positive, albeit less bright outlook. The rate of unemployment increased marginally from 8.3% in March to 8.4% in May. The prospect of trade barriers imposed by the US covering cars and auto parts would, in particular, impact German producers negatively. The European Central Bank confirmed the termination of asset purchases for December 2018 and positioned itself for a rate hike during summer 2019. In the UK, sluggish growth continued. After quarter-end, Prime Minister Theresa May presented a proposal of a softer Brexit, triggering the resignation of Brexit Minister David Davis and Foreign Minister Boris Johnson. Markets interpreted the developments as slightly positive, raising the prospects of a softer Brexit, at least for the goods sectors.

Asian economies continued their growth path. India's central bank expressed confidence in the economy and raised the target rate. GDP growth in China eased marginally, as expected, posting a solid 6.7% year-on-year expansion.

Private equity buyout activity

Global private equity buyout activity for the second quarter of 2018 recorded a value of USD 118.2 billion, representing an increase of 12.5% compared to the second quarter of 2017. The number of deals rose 1.5% compared to the year-ago period, according to Preqin. Large-cap and upper mid-

market investments with transaction volume of more than USD 1 billion led buyout activity, accounting for 77.3% of aggregate deal value. North America continued to dominate global buyout deal activity with 68.8% of aggregate deal value.

The largest transaction announced in the region and globally was the USD 9.9 billion take-private of Envision Healthcare Corporation, an American healthcare company and national hospital based physician group by KKR & Co.

Private equity buyout activity in Europe was reported at USD 26.3 billion, exceeding last year's corresponding value by 72.3%. Of 418 transactions announced in the region, the largest was CVC Capital Partners' EUR 3.0 billion (USD 3.5 billion) acquisition of a controlling stake in Recordati, an Italian drugmaker listed on the Milan stock exchange.

Asia recorded USD 9.2 billion in aggregate deal value, accounting for 7.7% of the global total, across 70 transactions. Compared to the second quarter of 2017 this represents a decrease in buyout value of 16.6% and an increase in number of transactions by 52.2%.

Private equity exit activity

During the second quarter of 2018, global private equity exit value was USD 103.1 billion, representing a year-on-year increase of 25.1% in value. The number of exit transactions remained relatively constant at 470 (-0.2%), according to Preqin. The most prevalent exit strategy was trade sales, which accounted for 54.3% of aggregate exit value.

North America continued to contribute the highest share to global private equity exit activity, with an aggregate exit value of USD 51.3 billion across 191 transactions. The largest exit in the region and globally was the sale of technology company BMC Software by a consortium led by Bain Capital and Golden Gate Capital in a USD 8.3 billion transaction.

Europe reported 225 transactions with an aggregate value of USD 38.2 billion during the second quarter of 2018. The largest exit in the region was CVC Capital Partners' sale of Bonne Terre ("Sky Bet"), a UK-based gambling company, to a strategic buyer in a transaction valuing the business at GBP 3.6 billion (USD 4.7 billion).

Asia reported USD 10.5 billion in aggregate exit value across 35 transactions during the second quarter of 2018.

IPO activity

Public market volatility returned during the second quarter of 2018, driven by geopolitical uncertainty and shifting trade policies, which negatively affected IPO activity. Year on year, the number of IPOs globally shrank by 26% to 325 and IPO proceeds decreased by 19% to USD 45.0 billion, according to Ernst and Young.

IPO activity in the US increased year on year in terms of proceeds (+6%) but decreased in terms of deal count (-8%). Technology companies drove IPO activity, accounting for 40% of total proceeds of USD 12.9 billion. The largest IPO in the region was the USD 3.2 billion listing of life insurance company AXA Equitable on the New York Stock Exchange.

IPO activity in the EMEIA (Europe, Middle East, India and Africa) region significantly lagged behind that of the second quarter of 2017, in terms of proceeds and number of transactions. In total, stock exchanges in the region recorded USD 11.8 billion in capital raised across 122 transactions, representing a year-on-year decrease of 45% and 15%, respectively. The USD 1.1 billion listing of global e-commerce payment company Adyen on Euronext was the largest IPO in the region by proceeds.

Asia-Pacific remained the world's busiest region for new listings during the second quarter of 2018. However, year on year, the number of listings and proceeds shrank by 39% and 13%, respectively. Technology companies accounted for 45% of total IPO proceeds of USD 17.6 billion. The largest IPO in the region and globally was the USD 4.2 billion listing of Foxconn Industrial Internet, a manufacturer of electronic devices, cloud service equipment and industrial robots.

Fundraising activity

Private equity fundraising activity during the second quarter of 2018 came in at USD 85.6 billion, 43.3% below the aggregate deal value for the second quarter in 2017, according to Preqin. The number of funds that held a final close shrank 37.9% year on year. With a fund size of USD 6.6 billion, Carlyle Asia Partners V was the largest fund to hold a final close.

North America-focused funds raised USD 37.7 billion across 126 vehicles. The largest fund that held a final close was TowerBrook Investors V, with a size of USD 4.3 billion.

Europe-focused funds raised USD 20.9 billion across 42 vehicles. The largest fund that held its final closing was Bain Capital Europe V with a size of EUR 4.4 billion (USD 5.0 billion).

In total, funds focused on Asia reported USD 21.9 billion in investor demand across 46 vehicles, contributing 25.6% to aggregate fundraising volume during the second quarter of 2018.

Outlook

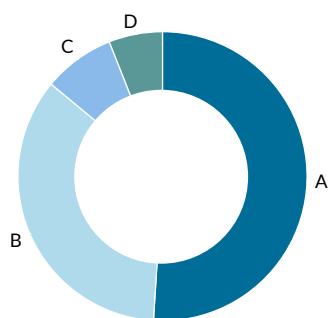
Partners Group's base case assumption of modest global real GDP growth over a five-year horizon and gently rising inflation in parts of the world still holds true. Partners Group acknowledges the advance stage of the US business cycle, rising rates and the threat from trade wars to growth. While Partners Group does not project a more material correction of capital markets in the near future, higher rates are likely to temper rich equity valuations. Partners Group maintains its cautious investment outlook and continues to seek defensive assets that benefit from structural and transformative trends, and that can be developed further through value creation initiatives.

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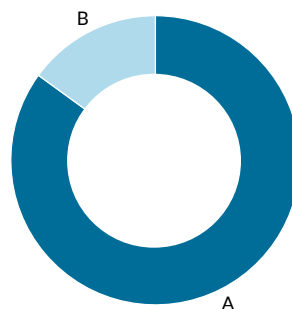
Sources: Preqin "Q2 2018 Buyout Deals and Exits"; Preqin "Q2 2018 Private Capital Fundraising Update"; Ernst & Young "Global IPO trends: Q2 2018"; Bloomberg; Reuters; Partners Group Research

3. Portfolio composition



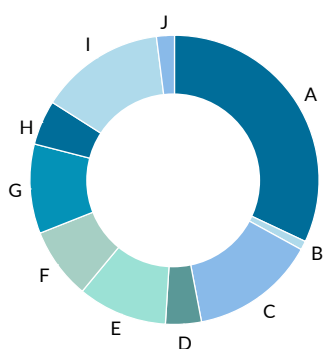
Investments by regional focus

| | | | |
|------------------------|-----|------------------------|----|
| A Europe | 51% | C Rest of World | 8% |
| B North America | 35% | D Asia-Pacific | 6% |



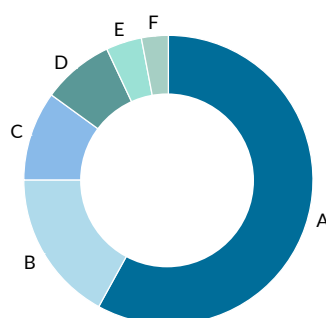
Investments by transaction type

| | | | |
|-----------------|-----|------------------|-----|
| A Direct | 85% | B Primary | 15% |
|-----------------|-----|------------------|-----|



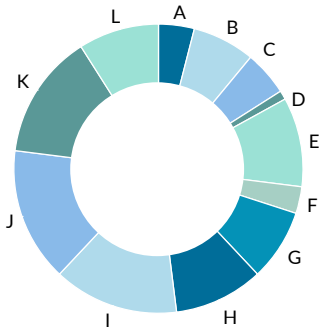
Portfolio assets by industry sector

| | | | |
|---------------------------|-----|---------------------|-----|
| A Consumer discr. | 32% | F Materials | 8% |
| B Utilities | 1% | G Financial | 10% |
| C Healthcare | 14% | H Industrial | 5% |
| D Energy | 4% | I IT | 14% |
| E Consumer staples | 10% | J Telecom | 2% |



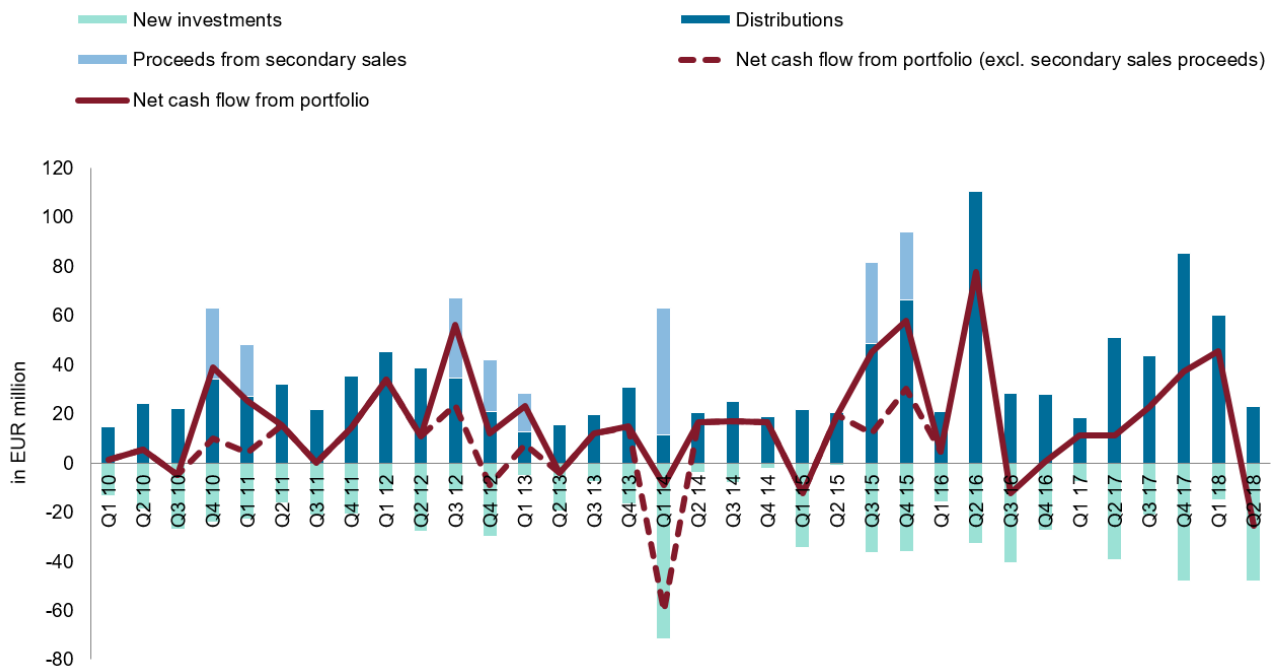
Investments by financing category

| | | | |
|-------------------------------|-----|--------------------------|----|
| A Small/Mid-cap | 58% | D Growth | 8% |
| B Special situations | 17% | E Mezzanine | 4% |
| C Large/mega-large-cap | 10% | F Venture capital | 3% |



Investments by investment year

| | | | |
|-------------------|-----|---------------|-----|
| A Pre 2007 | 4% | G 2013 | 8% |
| B 2007 | 7% | H 2014 | 10% |
| C 2008 | 5% | I 2015 | 14% |
| D 2010 | 1% | J 2016 | 15% |
| E 2011 | 10% | K 2017 | 14% |
| F 2012 | 3% | L 2018 | 9% |



DEVELOPMENT OF NET CASH FLOWS



NAV DEVELOPMENT

| | Top 10 | Top 20 | Full sample |
|---------------------|-----------|-----------|-------------|
| EV/EBITDA | 13.6x | 13.4x | 12.8x |
| Net debt/EBITDA | 5.7x | 5.8x | 5.5x |
| Leverage | 43.4% | 44.6% | 44.6% |
| Weighted average EV | EUR 3.0bn | EUR 2.9bn | EUR 2.4bn |

VALUATION METRICS OF DIRECT EQUITY COMPANIES

Asset allocation as per the reporting date; the portfolio composition may change over time.

As per the reporting date and based on available information. Weighted average figures for a sample of direct equity investments based on available information. Valuation metrics include all direct equity investments valued based on EV/EBITDA (sample represents 42 companies; 63.6% of NAV).

The above allocations are provided for additional investor information only and do not necessarily constitute nor are necessarily managed as separate reportable segments by the Investment Manager, the Investment Advisor and Company.

Within section four, "Investments" refers to the value of the investments. The total of the investment portfolio excludes cash and cash equivalents.

4. Portfolio overview

Fifty largest direct investments (in EUR)

| Investment | Industry sector | Regional focus | Financing category | Investment year | Since inception | | % of NAV |
|---|------------------------|----------------|----------------------|-----------------|-----------------|-----------------|----------|
| | | | | | Residual cost | Net asset value | |
| Action | Consumer discretionary | WEU | Small/Mid-cap | 2011 | 0 | 57'855'086 | 7.6% |
| Permotio International Learning SarL | Consumer discretionary | WEU | Growth | 2013 | 30'969'852 | 48'339'891 | 6.3% |
| Form Technologies | Materials | NAM | Small/Mid-cap | 2015 | 22'918'898 | 34'771'091 | 4.5% |
| Foncia | Financials | WEU | Small/Mid-cap | 2016 | 19'469'878 | 26'281'246 | 3.4% |
| KinderCare Education | Consumer discretionary | NAM | Small/Mid-cap | 2015 | 9'170'425 | 25'187'798 | 3.3% |
| Fermaca | Energy | ROW | Special situations | 2014 | 12'503'244 | 23'446'074 | 3.1% |
| Hearthside Food Solutions | Consumer staples | NAM | Small/Mid-cap | 2018 | 17'974'694 | 17'974'694 | 2.3% |
| Hofmann Menue Manufaktur | Consumer staples | WEU | Small/Mid-cap | 2013 | 5'146'706 | 17'324'038 | 2.3% |
| IDEMIA | Information technology | WEU | Large/mega-large-cap | 2017 | 16'892'314 | 17'074'932 | 2.2% |
| Global Blue | Financials | WEU | Small/Mid-cap | 2012 | 834'111 | 14'424'667 | 1.9% |
| SRS Distribution, Inc. | Materials | NAM | Small/Mid-cap | 2018 | 14'270'651 | 14'270'651 | 1.9% |
| MultiPlan, Inc. (2016) | Healthcare | NAM | Large/mega-large-cap | 2016 | 4'478'858 | 13'658'029 | 1.8% |
| Cerba HealthCare | Healthcare | WEU | Small/Mid-cap | 2017 | 11'327'126 | 13'289'190 | 1.7% |
| PCI Pharma Services | Healthcare | NAM | Small/Mid-cap | 2016 | 9'986'323 | 12'356'970 | 1.6% |
| Vermaat | Consumer discretionary | WEU | Small/Mid-cap | 2015 | 7'918'968 | 12'240'325 | 1.6% |
| Civica | Information technology | WEU | Small/Mid-cap | 2013 | 11'403'323 | 11'986'270 | 1.6% |
| CPA Global | Information technology | WEU | Large/mega-large-cap | 2017 | 10'177'897 | 11'698'064 | 1.5% |
| United States Infrastructure Corporation | Utilities | NAM | Small/Mid-cap | 2017 | 11'265'758 | 11'663'264 | 1.5% |
| Caffe Nero | Consumer staples | WEU | Mezzanine | 2013 | 7'449'643 | n.a. | n.a. |
| Ceridian Corporation | Industrials | NAM | Large/mega-large-cap | 2007 | 2'091'755 | 9'794'683 | 1.3% |
| Varsity Brands | Consumer discretionary | NAM | Small/Mid-cap | 2014 | 0 | 9'689'357 | 1.3% |
| Pharmaceutical developer | Healthcare | WEU | Small/Mid-cap | 2013 | 10'148'371 | 9'512'615 | 1.2% |
| Pacific Bells | Consumer staples | NAM | Small/Mid-cap | 2015 | 6'010'349 | 9'377'267 | 1.2% |
| Guardian Early Learning Group | Consumer discretionary | APC | Small/Mid-cap | 2016 | 8'454'989 | 8'902'611 | 1.2% |
| Amann Girrbach | Healthcare | WEU | Small/Mid-cap | 2018 | 8'620'424 | 8'620'424 | 1.1% |
| Voyage Care | Healthcare | WEU | Small/Mid-cap | 2014 | 7'865'405 | 7'078'864 | 0.9% |
| STADA Arzneimittel AG | Healthcare | WEU | Large/mega-large-cap | 2017 | 6'225'411 | 6'759'854 | 0.9% |
| Springer Science+Business Media | Consumer discretionary | WEU | Special situations | 2010 | 6'143'167 | n.a. | n.a. |

| Investment | Industry sector | Regional focus | Financing category | Investment year | Since inception | | |
|--|----------------------------|----------------|----------------------|-----------------|-----------------|-----------------|----------|
| | | | | | Residual cost | Net asset value | % of NAV |
| SHL | Information technology | WEU | Small/Mid-cap | 2018 | 6'247'532 | 6'247'532 | 0.8% |
| Universal Hospital Services, Inc. | Healthcare | NAM | Small/Mid-cap | 2007 | 3'726'350 | 6'202'450 | 0.8% |
| Trimco International Holdings Ltd | Industrials | APC | Small/Mid-cap | 2012 | 5'953'160 | 5'953'160 | 0.8% |
| CSS Corporate Technologies | Telecommunication services | APC | Small/Mid-cap | 2013 | n.a. | n.a. | n.a. |
| Curvature | Information technology | NAM | Small/Mid-cap | 2016 | 10072'623 | 5'438'591 | 0.7% |
| S. TOUS, S.L. | Consumer discretionary | WEU | Small/Mid-cap | 2015 | 3'959'816 | 5'355'949 | 0.7% |
| Seabras-1 | Telecommunication services | NAM | Special situations | 2015 | 4'919'350 | 5'208'778 | 0.7% |
| Logoplaste | Materials | WEU | Special situations | 2016 | 4'756'306 | n.a. | n.a. |
| Hortifruti | Consumer staples | ROW | Small/Mid-cap | 2016 | 4'686'920 | 5'127'221 | 0.7% |
| Prosol | Consumer staples | WEU | Special situations | 2017 | 4'764'032 | 4'960'803 | 0.6% |
| SPi Global | Information technology | APC | Small/Mid-cap | 2017 | 4'480'868 | 4'888'114 | 0.6% |
| European Sports Rights Company | Consumer discretionary | WEU | Special situations | 2006 | 4'761'068 | 4'853'713 | 0.6% |
| Key Retirement Group | Financials | WEU | Small/Mid-cap | 2017 | 3'444'679 | 4'561'700 | 0.6% |
| ADT Corporation | Information technology | NAM | Large/mega-large-cap | 2016 | 3'071'189 | 4'434'973 | 0.6% |
| Polyconcept | Consumer discretionary | NAM | Small/Mid-cap | 2016 | 3'334'197 | 4'398'678 | 0.6% |
| Education publisher 2 | Consumer discretionary | NAM | Large/mega-large-cap | 2013 | 0 | 4'244'846 | 0.6% |
| Cegid Group SA | Information technology | WEU | Special situations | 2016 | 3'819'540 | n.a. | n.a. |
| CEVA Santé Animale | Healthcare | WEU | Special situations | 2014 | 3'956'577 | 4'112'049 | 0.5% |
| BarBri | Consumer discretionary | NAM | Small/Mid-cap | 2011 | 1'752'116 | 2'968'127 | 0.4% |
| CapitalSpring Finance Company | Financials | NAM | Mezzanine | 2013 | 2'222'846 | 2'639'724 | 0.3% |
| Infinite RF Holdings, Inc | Industrials | NAM | Special situations | 2016 | 1'881'410 | 2'528'534 | 0.3% |
| eResearch Technology, Inc. | Information technology | NAM | Special situations | 2016 | 1'666'700 | 2'438'263 | 0.3% |
| Total fifty direct investments | | | | | 342558890 | 572'919'515 | 74.9% |

The portfolio's holdings are ranked by percentage of net asset value. Some names and figures (marked "n.a.") may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees. The portfolio overview of Princess has been prepared on a look through basis, although the unaudited consolidated statement of financial position includes the valuation of certain Partners Group investment vehicles. Residual cost is the initial investment cost after receipt of distributions from such an investment until the end of the reporting period. Negative residual costs (receipt of distributions > initial investment cost) will result in an amount of zero.

Twenty largest fund investments (in EUR)

| Investment | Regional focus | Financing category | Vintage | Since inception | | % of NAV |
|--|----------------|----------------------|---------|----------------------|-----------------|----------|
| | | | | Unfunded commitments | Net asset value | |
| Anonymized Emerging Markets Venture Fund 2 | ROW | Venture capital | 2008 | 635'936 | 10'816'627 | 1.4% |
| Ares Corporate Opportunities Fund III, L.P. | NAM | Special situations | 2008 | 850'681 | 9'424'691 | 1.2% |
| Anonymized European Buyout Fund 7 | WEU | Small/Mid-cap | 2007 | 1'026'787 | 6'329'356 | 0.8% |
| 3i Eurofund Vb | WEU | Small/Mid-cap | 2006 | 333'335 | 5'987'912 | 0.8% |
| Partners Group Global Real Estate 2008, L.P. | WEU | Special situations | 2008 | 1'759'056 | 5'956'733 | 0.8% |
| Terra Firma Capital Partners III, L.P. | WEU | Large/mega-large-cap | 2006 | 79'547 | 3'782'072 | 0.5% |
| MatlinPatterson Global Opportunities Partners III | NAM | Special situations | 2007 | 207'603 | 3'542'369 | 0.5% |
| Pitango Venture Capital Fund III | ROW | Venture capital | 2000 | 0 | 3'527'234 | 0.5% |
| Patria - Brazilian Private Equity Fund III, L.P. | ROW | Small/Mid-cap | 2007 | n.a. | n.a. | n.a. |
| Index Ventures Growth I (Jersey), L.P. | WEU | Growth | 2008 | 0 | 2'664'262 | 0.3% |
| INVESCO Venture Partnership Fund II-A, L.P. | NAM | Venture capital | 2000 | 1'567'523 | 2'482'341 | 0.3% |
| SV Life Sciences Fund IV, L.P. | NAM | Venture capital | 2006 | 124'370 | 2'163'097 | 0.3% |
| August Equity Partners II A, L.P. | WEU | Small/Mid-cap | 2007 | n.a. | 1'668'351 | 0.2% |
| Summit Partners Europe Private Equity Fund, L.P. | WEU | Growth | 2008 | 2'069 | 1'555'078 | 0.2% |
| Innisfree PFI Secondary Fund | WEU | Special situations | 2007 | 28'242 | 1'554'930 | 0.2% |
| Sterling Investment Partners II, L.P. | NAM | Small/Mid-cap | 2005 | 1'057'193 | 1'541'232 | 0.2% |
| Exxel Capital Partners VI, L.P. | ROW | Small/Mid-cap | 2000 | 0 | 1'356'606 | 0.2% |
| The Peninsula Fund IV, L.P. | NAM | Mezzanine | 2005 | 418'963 | 1'346'344 | 0.2% |
| Alinda Infrastructure Parallel Fund II, L.P. | NAM | Special situations | 2008 | 236'132 | 1'287'205 | 0.2% |
| Ares Corporate Opportunities Fund II, L.P. | NAM | Special situations | 2006 | 1'957'052 | 1'217'958 | 0.2% |
| Total twenty partnership investments | | | | 10'911'252 | 71'354'993 | 9.3% |

The portfolio's holdings are ranked by percentage of net asset value. Some names and figures (marked "n.a.") may not be disclosed for confidentiality reasons. Furthermore, some investments have been made through Partners Group pooling vehicles at no additional fees. The portfolio overview of Princess has been prepared on a look through basis, although the unaudited consolidated statement of financial position includes the valuation of certain Partners Group investment vehicles.

5. Structural overview

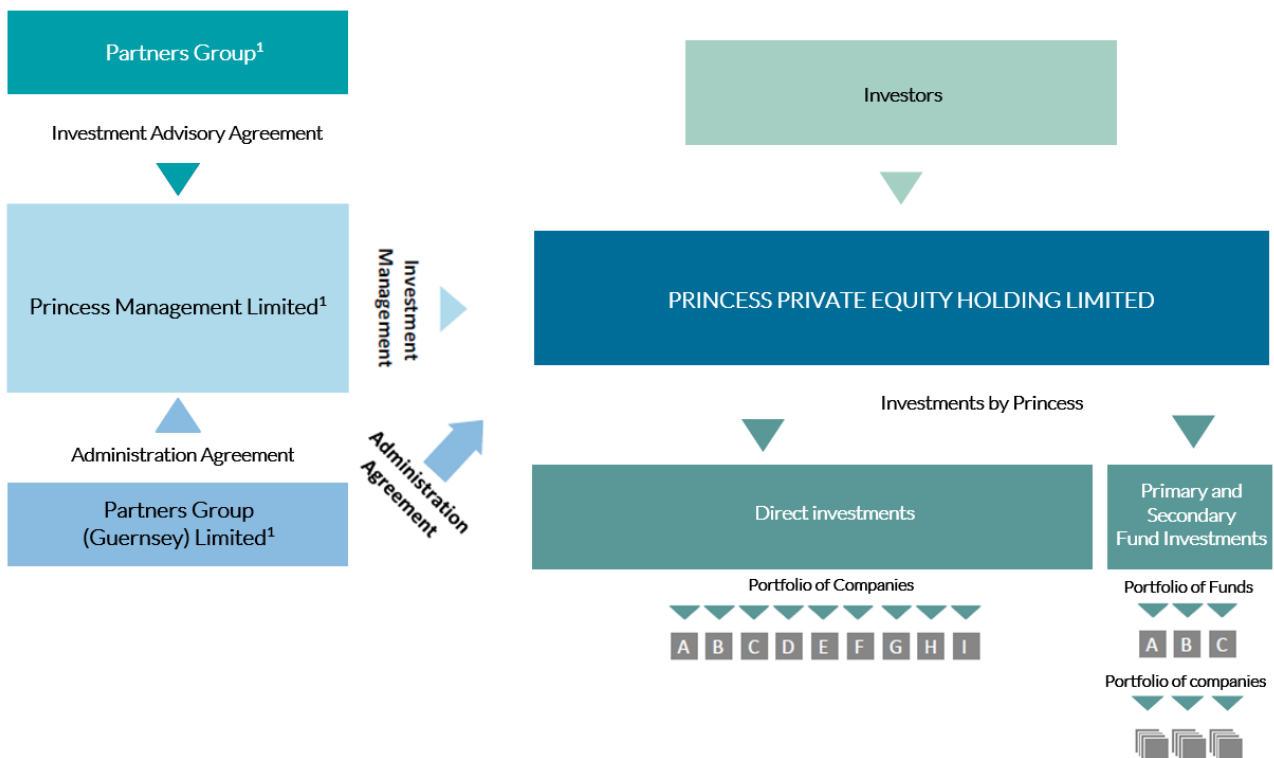
Princess Private Equity Holding Limited is a Guernsey registered private equity holding company founded in May 1999 that invests in private market investments. In 1999 Princess raised USD 700 million through the issue of a convertible bond and invested the capital by way of commitments to private equity partnerships. The convertible bond was converted into shares in December 2006. Concurrently, the investment guidelines were amended and the reporting currency changed from the US dollar to Euro. The Princess shares were introduced for trading on the Frankfurt Stock Exchange (trading symbol: PEY1) on 13 December 2006 and on the London Stock Exchange (trading symbol: PEY) on 1 November 2007. Princess consolidated all trading activity to the London Stock Exchange on 6 December 2012 and ceased being listed on the Frankfurt Stock Exchange.

On 6 September 2017, the Company announced the intention to introduce an additional market quote in Sterling (trading symbol: PEYS) for its existing ordinary shares on the London Stock Exchange, alongside the Company's existing Euro market quote. The purpose of the introduction of the Sterling quote was to broaden the potential ownership of the Company's ordinary shares. Following the introduction of the Sterling quote, which was admitted for trading on 8

September, Shareholders have the option to make a dividend currency election to receive dividends in Sterling. For the avoidance of doubt, all dividends continue to be declared in Euros and the default currency for dividend payments remains Euros.

Princess aims to provide Shareholders with long-term capital growth and an attractive dividend yield. The Company's investments are managed on a discretionary basis by Princess Management Limited, a wholly-owned subsidiary of Partners Group Holding AG, registered in Guernsey. The Investment Manager is responsible for, inter alia, selecting, acquiring and disposing of investments and carrying out financing and cash management services.

The Investment Manager is permitted to delegate some or all of its obligations and has entered into an advisory agreement with Partners Group (the "Investment Advisor"), which is a global private markets investment management firm with EUR 67.1 billion in investment programs under management in private equity, private debt, private real estate and private infrastructure. Through the advisory agreement, Princess benefits from the global presence, the size and experience of the investment team and relationships with many of the world's leading private equity firms.



¹ 100% owned by Partners Group Holding AG

6. Company information

| | |
|--------------------------------|--|
| Company | Princess Private Equity Holding Limited |
| Currency denomination | Euro |
| Dividends | Princess intends to pay a dividend of 5-8% p.a. on NAV |
| Incentive fee | No incentive fee on primary investments; 10% incentive fee per secondary investment; 15% incentive fee per direct investment; subject in each case to a 8% p.a. preferred return (with catch-up) |
| Incorporation | 1999 |
| Joint corporate brokers | JPMorgan Cazenove Numis Securities Ltd. |
| Listing | London Stock Exchange |
| Management fee | 1.5% p.a.: Of the higher of NAV or value of Princess' assets less any temporary investments plus unfunded commitments |
| Securities | Fully paid-up ordinary registered shares |
| Structure | Guernsey company, Authorised closed-ended fund in Guernsey |
| Trading information | ISIN (Euro and Sterling Quote): GG00B28C2R28 WKN (Euro and Sterling Quote): A0M5MA Trading symbol (Euro Quote): PEY Bloomberg (Euro Quote): PEY LN Reuters (Euro Quote): PEY.L Trading symbol (Sterling Quote): PEYS Bloomberg (Sterling Quote): PEYS LN Reuters (Sterling Quote): PEYS.L |
| Voting rights | Each ordinary registered share represents one voting right |

7. Unaudited consolidated financial statements

Unaudited consolidated statement of comprehensive income

for the period from 1 January 2018 to 30 June 2018

| In thousands of EUR | Notes | 01.01.2018 30.06.2018 | 01.01.2017 30.06.2017 |
|--|-------|--------------------------|--------------------------|
| Net income from financial assets at fair value through profit or loss | | 61'906 | 60'159 |
| <i>Private equity</i> | | 54'586 | 63'335 |
| Interest & dividend income | | 7'996 | 391 |
| Revaluation | 6 | 42'501 | 77'831 |
| Net foreign exchange gains / (losses) | 6 | 4'089 | (14'887) |
| <i>Private debt</i> | | 4'259 | (1'128) |
| Interest income (including PIK) | | 1'102 | 862 |
| Revaluation | 6 | 1'597 | 1'924 |
| Withholding tax on direct private debt investments | 6 | (18) | - |
| Net foreign exchange gains / (losses) | 6 | 1'578 | (3'914) |
| <i>Private real estate</i> | | (8) | (522) |
| Revaluation | 6 | (8) | (521) |
| Net foreign exchange gains / (losses) | 6 | - | (1) |
| <i>Private infrastructure</i> | | 3'069 | (1'526) |
| Revaluation | 6 | 2'602 | (291) |
| Net foreign exchange gains / (losses) | 6 | 467 | (1'235) |
| Net income from cash & cash equivalents and other income | | 647 | (137) |
| Net foreign exchange gains / (losses) | | 647 | (137) |
| Total net income | | 62'553 | 60'022 |
| Operating expenses | | (12'995) | (11'040) |
| Management fees | | (5'313) | (5'763) |
| Incentive fees | 10 | (6'737) | (4'068) |
| Administration fees | | (186) | (182) |
| Service fees | | (125) | (125) |
| Other operating expenses | | (487) | (621) |
| Other net foreign exchange gains / (losses) | | (147) | (281) |
| Other financial activities | | (7'152) | 12'509 |
| Setup expenses - credit facilities | | (226) | (252) |
| Other finance cost | | (228) | (115) |
| Net gains / (losses) from hedging activities | | (6'701) | 12'876 |
| Other income | | 3 | - |
| Surplus / (loss) for period | | 42'406 | 61'491 |

| In thousands of EUR | Notes | 01.01.2018 30.06.2018 | 01.01.2017 30.06.2017 |
|---|-------|--------------------------|--------------------------|
| Other comprehensive income for period; net of tax | | - | - |
| Total comprehensive income for period | | 42'406 | 61'491 |
| Weighted average number of shares outstanding | | 69'151'168.00 | 69'151'168.00 |
| Basic surplus / (loss) per share for period | | 0.61 | 0.89 |
| Diluted surplus / (loss) per share for period | | 0.61 | 0.89 |

The Euro earnings per share is calculated by dividing the surplus / (loss) for the financial period by the weighted average number of shares outstanding.

Unaudited consolidated statement of financial position

As at 30 June 2018

| In thousands of EUR | Notes | 30.06.2018 | 31.12.2017 |
|---|-------|----------------|----------------|
| ASSETS | | | |
| Financial assets at fair value through profit or loss | | | |
| Private equity | 6,13 | 560'479 | 525'538 |
| Private debt | 6,13 | 101'084 | 100'711 |
| Private real estate | 6,13 | 5'957 | 7'816 |
| Private infrastructure | 6,13 | 22'232 | 19'520 |
| Other long-term receivables | | 2'741 | 2'644 |
| Non-current assets | | 692'493 | 656'229 |
| Other short-term receivables | | 1'789 | 2'199 |
| Hedging assets | 13 | - | 2'166 |
| Cash and cash equivalents | 7 | 85'916 | 97'416 |
| Current assets | | 87'705 | 101'781 |
| TOTAL ASSETS | | 780'198 | 758'010 |
| EQUITY AND LIABILITIES | | | |
| Share capital | 8 | 69 | 69 |
| Reserves | 8 | 390'669 | 410'031 |
| Retained earnings | | 374'351 | 331'945 |
| Total equity | | 765'089 | 742'045 |
| Hedging liabilities | 13 | 472 | - |
| Accruals and other short-term payables | | 14'637 | 15'965 |
| Liabilities falling due within one year | | 15'109 | 15'965 |
| TOTAL EQUITY AND LIABILITIES | | 780'198 | 758'010 |

Unaudited consolidated statement of changes in equity

for the period from 1 January 2018 to 30 June 2018

| In thousands of EUR | Share capital | Retained earnings | Reserves | Total |
|---|---------------|-------------------|----------------|----------------|
| Balance at the beginning of period | 69 | 331'945 | 410'031 | 742'045 |
| Dividend paid during the period | - | - | (19'362) | (19'362) |
| Other comprehensive income for period; net of tax | - | - | - | - |
| Surplus / (loss) for period | - | 42'406 | - | 42'406 |
| Equity at end of period | 69 | 374'351 | 390'669 | 765'089 |

for the period from 1 January 2017 to 30 June 2017

| In thousands of EUR | Share capital | Retained earnings | Reserves | Total |
|---|---------------|-------------------|----------------|----------------|
| Balance at the beginning of period | 69 | 254'083 | 448'756 | 702'908 |
| Dividend paid during the period | - | - | (19'362) | (19'362) |
| Other comprehensive income for period; net of tax | - | - | - | - |
| Surplus / (loss) for period | - | 61'491 | - | 61'491 |
| Equity at end of period | 69 | 315'574 | 429'394 | 745'037 |

Unaudited consolidated statement of cash flows

for the period from 1 January 2018 to 30 June 2018

| In thousands of EUR | Notes | 01.01.2018 30.06.2018 | 01.01.2017 30.06.2017 |
|--|-------|--------------------------|--------------------------|
| Operating activities | | | |
| Surplus / (loss) for the period before interest expense | | 42'406 | 61'491 |
| Adjustments: | | | |
| Net foreign exchange (gains) / losses | | (6'634) | 20'455 |
| Investment revaluation | | (46'692) | (78'943) |
| Withholding tax on direct investments | | 18 | - |
| Net (gain) / loss on interest | | (1'224) | (1'204) |
| Net (gain) / loss on dividends | | (7'874) | (49) |
| Revaluation on forward hedges | | 6'701 | (12'876) |
| (Increase) / decrease in receivables | | 312 | 2'114 |
| Increase / (decrease) in payables | | (1'474) | 6'870 |
| Realized gains / (losses) from forward hedges | | (4'063) | (404) |
| Purchase of private equity investments | 6 | (50'729) | (28'881) |
| Purchase of private debt investments | 6 | (2'065) | (18'167) |
| Purchase of private real estate investments | 6 | 177 | 90 |
| Distributions from and proceeds from sales of private equity investments | 6 | 62'373 | 54'409 |
| Distributions from and proceeds from sales of private debt investments | 6 | 5'015 | 104 |
| Distributions from and proceeds from sales of private real estate investments | 6 | 1'674 | 569 |
| Distributions from and proceeds from sales of private infrastructure investments | 6 | 357 | - |
| Interest & dividends received | | 8'937 | 996 |
| Net cash from / (used in) operating activities | | 7'215 | 6'574 |
| Financing activities | | | |
| Dividends paid | 8 | (19'362) | (19'362) |
| Net cash from / (used in) financing activities | | (19'362) | (19'362) |
| Net increase / (decrease) in cash and cash equivalents | | (12'147) | (12'788) |
| Cash and cash equivalents at beginning of period | 7 | 97'416 | 65'751 |
| Effects of foreign currency exchange rate changes on cash and cash equivalents | | 647 | (137) |
| Cash and cash equivalents at end of period | 7 | 85'916 | 52'826 |

Notes to the unaudited consolidated financial statements

for the period from 1 January 2018 to 30 June 2018

1 Organization and business activity

Princess Private Equity Holding Limited (the "Company") is an investment holding company established on 12 May 1999. The Company's registered office is Tudor House, St. Peter Port, Guernsey, GY1 6BD. The Company is a Guernsey limited liability company that invests in a broadly diversified portfolio of private market investments through its wholly-owned subsidiary, Princess Private Equity Subholding Limited (the "Subsidiary"). The Subsidiary also holds certain investments through its wholly-owned subsidiary Princess Direct Investments, L.P. Inc. (the "Sub-Subsidiary"). The Sub-Subsidiary, the Subsidiary and the Company form a group (the "Group"). Both of these subsidiaries are consolidated as they are deemed to provide investment related services to the Company.

The shares of the Company were listed on the Prime Standard of the Frankfurt Stock Exchange from 13 December 2006 until 5 December 2012 (date of delisting). The shares of the Company remain listed on the Main Market of the London Stock Exchange, where they have been listed since 1 November 2007.

2 Basis of preparation

The condensed interim consolidated financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting. The condensed interim consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the period ended 31 December 2017, which have been prepared in accordance with International Financial Reporting Standards.

The accounting policies adopted in the preparation of the of the condensed interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the period ended 31 December 2017.

The following standards which are mandatory for future accounting periods, but where early adoption is permitted now, have not been duly adopted.

Annual improvements 2014-2016 (effective 1 January 2018) Amendments to IFRS 1 and IAS 28
IFRS 15 (effective 1 January 2018) - Revenue from Contracts with Customers
IFRS 9 (effective 1 January 2018) - Financial Instruments

The Directors of the Company are in the process of assessing the impact of these standards and believe that these new accounting standards will not significantly affect the Group's results of operations or financial position.

On adoption of IFRS 9 the Group's investment portfolio will continue to be classified as fair value through profit and loss. Other financial assets which are held for collection will continue to be measured at amortized cost with no material impact expected from application of the new impairment model. As a result, the adoption of IFRS 9 is not expected to have a material impact on the Group's unaudited financial statements.

3 Shareholders above 5% of ordinary shares issued

In accordance with DTR 5.1.2R of the Financial Conduct Authority Handbook the following shareholders advised holdings above the 5% threshold until 30 June 2018:

Bayer-Pensionskasse VVaG - 7.56%

Brewin Dolphin Limited - 5.03%

CCLA Investment Management Limited - 5.05%

CVP / CAP Coop - 5.07%

Deutsche Asset Management Investmentgesellschaft - 7.66%

Rathbone Brothers - 5.26%

Societe Generale Option Europe - 5.31%

4 Dividends

The Board of Directors of Princess Private Equity Holding Limited declared its first interim dividend for the year of EUR 0.28 per ordinary share, which was paid on 13 July 2018, amounting to EUR 19.4 million (Total dividend in 2017: EUR 38.7 million).

5 Segment calculation

| In thousands of EUR | 01.01.2018 30.06.2018 | 01.01.2017 30.06.2017 |
|--|--------------------------|--------------------------|
| Private equity | | |
| Interest & dividend income | 7'996 | 391 |
| Revaluation | 42'501 | 77'831 |
| Net foreign exchange gains / (losses) | 4'089 | (14'887) |
| Total net income private equity | 54'586 | 63'335 |
| Segment result private equity | 54'586 | 63'335 |
| Private debt | | |
| Interest income (including PIK) | 1'102 | 862 |
| Revaluation | 1'597 | 1'924 |
| Withholding tax on direct private debt investments | (18) | - |
| Net foreign exchange gains / (losses) | 1'578 | (3'914) |
| Total net income private debt | 4'259 | (1'128) |
| Segment result private debt | 4'259 | (1'128) |
| Private real estate | | |
| Revaluation | (8) | (521) |
| Net foreign exchange gains / (losses) | - | (1) |
| Total net income private real estate | (8) | (522) |
| Segment result private real estate | (8) | (522) |
| Private infrastructure | | |
| Revaluation | 2'602 | (291) |
| Net foreign exchange gains / (losses) | 467 | (1'235) |
| Total net income private infrastructure | 3'069 | (1'526) |
| Segment result private infrastructure | 3'069 | (1'526) |
| Non attributable | | |
| Net foreign exchange gains / (losses) | 647 | (137) |
| Total net income non attributable | 647 | (137) |
| Segment result non attributable | (12'348) | (11'177) |
| Other financial activities not allocated | (7'152) | 12'509 |
| Surplus / (loss) for the financial period | 42'406 | 61'491 |

6 Financial assets at fair value through profit or loss

6.1 PRIVATE EQUITY

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|---|----------------|----------------|
| Balance at beginning of period | 525'538 | 539'374 |
| Purchase of Direct and Indirect Investments | 50'729 | 70'224 |
| Distributions from and proceeds from sales of Direct and Indirect Investments | (62'373) | (167'278) |
| Reclassification of investments | - | 2'417 |
| Accrued cash and PIK interest | (5) | 25 |
| Revaluation | 42'501 | 106'572 |
| Foreign exchange gains / (losses) | 4'089 | (25'796) |
| Balance at end of period | 560'479 | 525'538 |

6.2 PRIVATE DEBT

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|---|----------------|----------------|
| Balance at beginning of period | 100'711 | 78'194 |
| Purchase of Direct and Indirect Investments | 2'065 | 34'524 |
| Distributions from and proceeds from sales of Direct and Indirect Investments | (5'015) | (7'585) |
| Reclassification of investments | - | (2'417) |
| Accrued cash and PIK interest | 166 | 372 |
| Revaluation | 1'597 | 4'013 |
| Withholding tax on direct private debt investments | (18) | - |
| Foreign exchange gains / (losses) | 1'578 | (6'390) |
| Balance at end of period | 101'084 | 100'711 |

6.3 PRIVATE REAL ESTATE

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|---|--------------|--------------|
| Balance at beginning of period | 7'816 | 11'397 |
| Purchase of Direct and Indirect Investments | (177) | (252) |
| Distributions from and proceeds from sales of Direct and Indirect Investments | (1'674) | (2'608) |
| Revaluation | (8) | (720) |
| Foreign exchange gains / (losses) | - | (1) |
| Balance at end of period | 5'957 | 7'816 |

6.4 PRIVATE INFRASTRUCTURE

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|---|---------------|---------------|
| Balance at beginning of period | 19'520 | 21'847 |
| Distributions from and proceeds from sales of Direct and Indirect Investments | (357) | (671) |
| Revaluation | 2'602 | 357 |
| Foreign exchange gains / (losses) | 467 | (2'013) |
| Balance at end of period | 22'232 | 19'520 |

7 Cash and cash equivalents

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|--|---------------|---------------|
| Cash at banks | 85'916 | 97'416 |
| Total cash and cash equivalents | 85'916 | 97'416 |

8 Share capital, treasury shares and reserves

8.1 CAPITAL

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|---|------------|------------|
| Issued and fully paid | | |
| 69'151'168 Ordinary shares of EUR 0.001 each out of the bond conversion | 69 | 69 |
| Total issued and fully paid shares | 69 | 69 |

The total authorized shares consists of 200'100'000 Ordinary shares of EUR 0.001 each (total value EUR 200'100) (2017: 200'100'000 Ordinary shares of EUR 0.001 each).

During the reporting period, the Company has not purchased or cancelled any of its own shares (2017: nil).

8.2 RESERVES

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|--|----------------|----------------|
| Distributable reserves | | |
| Distributable reserves at beginning of reporting period | 410'031 | 448'756 |
| Dividend payment | (19'362) | (38'725) |
| Total distributable reserves at end of reporting period | 390'669 | 410'031 |

9 Short-term credit facilities

On 14 December 2016, the Company renewed a multi-currency revolving credit facility with an international financial institution for EUR 50'000'000, which ends on 14 December 2020.

Interest on principal drawn is calculated at a margin of 2.95% to 3.25% per annum above the applicable LIBOR rate or, in relation to any loan in EUR, the applicable EURIBOR rate. A commitment fee of 0.90% per annum is charged on the daily undrawn facility commitment. In addition, an arrangement fee of EUR 425'000 is payable upon closing and a monitoring fee of EUR 25'000 payable annually.

The facility, in relation to the Company, is secured, inter alia, by way of a pledge over the shares in Princess Private Equity Subholding Limited, a wholly owned subsidiary of the Company and a pledge over the bank accounts and the inter-company loans within the Group.

The Company must maintain a total net asset value of at least EUR 350'000'000 and a total asset ratio (total debt plus current liabilities as a percentage of restricted net asset value, as defined in the credit facility agreement) not greater than 25%.

As at the end of the reporting period, no event of default has occurred.

10 Incentive fees

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|--|---------------|---------------|
| Balance at beginning of period | 11'070 | 19'448 |
| Change in incentive fees attributable to General Partner | 6'737 | 6'030 |
| Incentive fees paid/payable | (6'758) | (14'408) |
| Balance at end of period | 11'049 | 11'070 |

11 Commitments to Direct and Indirect Investments

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|---|------------|------------|
| Unfunded commitments translated at the rate prevailing at end of period | 112'645 | 119'213 |

12 Earnings per share and net assets per share

Basic earnings per share are calculated by dividing the surplus or loss for the financial period attributable to the shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares, if any. There were no dilutive effects on the Group's shares during 2018 and 2017.

The net assets per share is calculated by dividing the net assets in the consolidated statement of financial position by the number of shares outstanding at the end of the reporting period.

| In thousands of EUR | 30.06.2018 | 31.12.2017 |
|---|---------------|---------------|
| Net assets of the Group | 765'089 | 742'045 |
| Outstanding shares at the end of the reporting period | 69'151'168.00 | 69'151'168.00 |
| Net assets per share at end of period | 11.06 | 10.73 |

13 Fair value measurement

13.1 FAIR VALUE ESTIMATION REPORTING PERIOD

| In thousands of EUR | Level 1 | Level 2 | Level 3 | Total balance |
|---|--------------|---------------|----------------|----------------|
| Assets | | | | |
| Derivatives used for hedging | - | - | - | - |
| Financial assets at fair value through profit or loss - equity securities | 1'097 | 12'004 | 575'567 | 588'668 |
| Financial assets at fair value through profit or loss - debt investments | - | - | 101'084 | 101'084 |
| Total assets | 1'097 | 12'004 | 676'651 | 689'752 |
| Liabilities | | | | |
| Derivatives used for hedging | - | (472) | - | (472) |
| Total liabilities | - | (472) | - | (472) |

13.2 FAIR VALUE ESTIMATION PREVIOUS REPORTING PERIOD

| In thousands of EUR | Level 1 | Level 2 | Level 3 | Total balance |
|---|---------------|--------------|----------------|----------------|
| Assets | | | | |
| Derivatives used for hedging | - | 2'166 | - | 2'166 |
| Financial assets at fair value through profit or loss - equity securities | 13'311 | - | 539'563 | 552'874 |
| Financial assets at fair value through profit or loss - debt investments | - | - | 100'711 | 100'711 |
| Total assets | 13'311 | 2'166 | 640'274 | 655'751 |
| Liabilities | | | | |
| Derivatives used for hedging | - | - | - | - |
| Total liabilities | - | - | - | - |

13.3 SIGNIFICANT UNOBSERVABLE VALUATION INPUTS

Level 3 investments may consist of direct and indirect equity and debt investments. Level 3 indirect investments are generally valued at the indirect investments' net asset values last reported by the indirect investments' governing bodies. When the reporting date of such net asset values does not coincide with the Group's reporting date, the net asset values are adjusted as a result of cash flows to/from an indirect investment between the most recently available net asset value reported, and the end of the reporting period of the Group. The valuation may also be adjusted for further information gathered by the Investment Advisor during its ongoing investment monitoring process. This monitoring process includes, but is not limited to, binding bid offers, non-public information on developments of portfolio companies held by indirect investments, syndicated transactions which involve such companies and the application of reporting standards by indirect investments which do not apply the principle of fair valuation.

The main inputs into the Group's valuation models for direct equity and debt investments include: EBITDA multiples (based on budgeted/forward looking EBITDA or historical EBITDA of the issuer and EBITDA multiples of comparable listed companies for the equivalent period), discount rates, capitalization rates, price to book as well as price to earnings ratios and enterprise value to sales multiples. The Group also considers the original transaction prices, recent transactions in the same or similar instruments and completed third-party transactions in comparable instruments and adjusts the model as deemed necessary. Further inputs consist of external valuation appraisals and broker quotes.

In order to assess level 3 valuations in accordance with the investment management agreement, the Investment Advisor reviews the performance of the direct and indirect investments held on a regular basis. The valuations are reviewed on an ongoing basis by the Investment Advisor's investment committee who report to the Investment Manager. The investment committee considers the appropriateness of the valuation model inputs as well as the valuation result using various valuation methods and techniques generally recognized within the industry. From time to time the Group may consider it appropriate to change the valuation model or technique used in the fair valuation depending on the individual investment circumstances, such as its maturity, stage of operations or recent transaction.

The Group utilizes comparable trading multiples in arriving at the valuation for the direct investments. Comparable companies multiple techniques assume that the valuation of unquoted direct investments can be assessed by comparing performance measure multiples of similar quoted assets for which observable market prices are readily available. The Investment Advisor determines comparable public companies based on industry, size, development stage, strategy, etc. Subsequently the most appropriate performance measure for determining the valuation of the relevant direct investment is selected (these include but are not limited to EBITDA, price/earnings ratio for earnings or price/book ratio for book values). Trading multiples for each comparable company identified are calculated by dividing the market capitalization of the comparable company by the defined performance measure. The relevant trading multiples might be subject to adjustment for general qualitative differences such as liquidity, growth rate or quality of customer base between the valued direct investment and the comparable company set. The indicated fair value of the direct investment is determined by applying the relevant adjusted trading multiple to the identified performance measure of the valued company.

When applying the discounted cash flow method, the Investment Advisor discounts the expected cash flow amounts to a present value at a rate of expected return that represents the time value of money and reflects the relative risks of the direct investment. Direct investments can be valued by using the 'cash flow to investor' method (a debt instrument valuation), or indirectly, by deriving the enterprise value using the 'free cash flow to company' method and subsequently subtracting the direct investment's net debt in order to determine the equity value of the relevant direct investment. The Investment Advisor determines the expected future cash flows based on agreed investment terms or expected growth rates. In addition and based on the current market environment an expected return of the respective direct investment is projected. The future cash flows are discounted to the present date in order to determine the current fair value.

If broker quotes are available, direct debt investments are valued by the Investment Advisor utilizing such quotes, which are provided by an independent third party broker. Broker quotes are applied to the nominal value of such direct debt investments. Broker quotes utilized for valuing direct debt investments represent indicative quotes for investments traded in an inactive market.

The Group utilizes the sales comparison method in arriving at the valuation for direct real estate investments. The sales comparison method compares a direct real estate investment's characteristics with those of comparable properties which have recently been traded in the market. The Investment Advisor determines comparable assets based on, but not limited to, size, location, development stage and property type. Furthermore the most appropriate measure for determining the valuation of the relevant direct real estate investment is selected (amongst others price per room, price per square foot, price per square meter). The comparable price per unit might be subject to adjustment for general qualitative differences which include, but are not limited to, quality of property and access to public transportation. The indicated fair value of the direct real estate investment is determined by applying the relevant price per unit to the respective direct real estate investment. The sales comparison method is most appropriate for direct real estate investments where the investment's size (e.g. number of rooms, square feet, square meters or other square measures) is known and similar properties have recently traded in the market.

When applying the income method the Investment Advisor compares a direct real estate investment's net operating income to capitalization rates recently observed in the market to determine the present value. The Investment Advisor determines comparable assets based on, but not limited to, size, development stage and property type. The capitalization rates from recent

sales of comparable properties might be subject to adjustment for general qualitative differences which include, but are not limited to, quality of property, tenant mix and access to public transportation. The indicated fair value of the direct real estate investment is determined by applying the relevant capitalization rate to the direct real estate investment's net operating income. The income method is most appropriate for income generating direct real estate investments where the net operating income is known and similar properties have recently traded in the market.

The values of level 3 direct equity investments valued by using an unobservable input factor are directly affected by a change in that factor. The change in valuation of level 3 direct equity investments may vary between different direct investments of the same category as a result of individual levels of debt financing within such an investment. Level 3 direct debt investments are generally valued using a waterfall approach including different seniority levels of debt. Thus the effect of a change in the unobservable input factor on the valuation of such investments is limited to the debt portion not covered by the enterprise value resulting from the valuation. No interrelationship between unobservable inputs used in the Group's valuation of its level 3 investments has been identified.

The tables below present the investments whose fair values are recognized in whole or in part using valuation techniques based on assumptions that are not supported by prices or other inputs from observable current market transactions in the same instrument and the effect of changing one or more of those assumptions behind the valuation techniques adopted based on reasonable possible alternative assumptions.

If presented, the category "Direct Investments" in the tables below may include certain indirect investments where the Investment Advisor has full visibility of the underlying portfolio and hence performs a full valuation on such investments as if they were direct investments. If presented, the category "Direct Investments" in the tables below may include certain investments using the valuation technique "Reported fair value". Such direct investments invest solely into underlying indirect investments, hence their fair value is based on reported fair value rather than a direct investment valuation.

The sensitivity analysis below represents the potential change in fair value for each category of investments presented in absolute values. Should the significant unobservable input for each category of investments increase or decrease by 5%, the value of each category of investments would follow by the absolute positive or negative amount respectively.

With regards to direct debt investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for direct equity investments would not result in a meaningful disclosure with added value for the reader of these consolidated financial statements. The reasons for this include, but are not limited to, the fact that the income generated from direct debt investments is linked to a reference rate such as LIBOR or EURIBOR (hence eliminating potential valuation changes resulting from fluctuation in interest rates) and the fact that direct debt investments are valued using a waterfall approach as described above. The credit risk resulting from investing into a direct debt investment is assessed by performing an enterprise valuation of the issuer's company. Provided that the results of such a valuation provides sufficient evidence that the equity of such a company still has a positive value, there is no indication that the Group as a lender would not be able to recover the full amount initially invested, plus any accrued cash and/or PIK interest, hence carrying such direct debt investment at this value. Should a significant unobservable valuation input into such an enterprise valuation be changed in either direction, the value of a respective direct debt investment would not fluctuate proportionately. Any fluctuation in the enterprise value of a lender's company would only have an impact on the value of a direct debt investment if the results of such a valuation would provide sufficient evidence that the enterprise value of the company is not sufficient to fully cover the outstanding debt instrument, which the Group is invested in.

With regards to direct real estate debt investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for direct equity investments would not result in a meaningful disclosure with added value for the reader of these consolidated financial statements. The reasons for this conclusion include, but are not limited to the fact that the income generated from direct real estate investments is linked to a reference rate such as LIBOR or EURIBOR (hence eliminating potential valuation changes resulting from fluctuation in interest rates) and the fact that direct real estate investments are valued using a waterfall approach as described above. The risk resulting from investing into a direct real estate debt investment is assessed by evaluating the gross asset value of the property. Provided that the results of such valuation provide sufficient evidence that the gross asset value exceeds the debt balance (i.e. the equity has a positive value), there is no indication that

the Group as a lender would not be able to recover the full amount initially invested, plus any accrued cash and/or PIK interest, hence carrying such direct real estate debt investments at this value. Should a significant unobservable valuation input into the determination of gross asset value be changed in either direction, the value of a respective direct real estate debt investment would not fluctuate proportionately. Any fluctuation in gross asset value of the property would only have an impact on the value of a direct real estate debt investment in if the results of such a valuation would provide sufficient evidence that the gross asset value of the property is not sufficient to fully cover the outstanding debt instrument, which the Group is invested in. With regards to direct real estate equity investments, the Investment Advisor is of the opinion that a sensitivity analysis as performed below for direct equity investments would not result in a meaningful disclosure with added value for the reader of these consolidated financial statements. The reasons for this conclusion include, but are not limited to, the fact that variations in property location, quality and business plan result in comparisons across properties that are not meaningful. Unobservable inputs for a specific region will vary greatly based on the property's micro location, building finishes and amenities and leasing strategy. One-to-one comparisons are not possible even for buildings that are physically close to each other due to the differences in property features and occupancy. A sensitivity analysis has not been presented for direct investments that have been acquired within the last three months of the financial period and where the acquisition cost was deemed to be fair value in accordance with IFRS 13 as it is the view of the Investment Advisor that insufficient time has passed to determine a reliable sensitivity range based on valuation inputs that would be considered appropriate by market participants.

13.4 SIGNIFICANT UNOBSERVABLE VALUATION INPUT TABLE REPORTING PERIOD

| Type of security | Fair value at 30.06.2018 | Valuation technique | Unobservable input | Range (weighted average) | Sensitivity | |
|---------------------------------------|--------------------------|-----------------------------------|--|-----------------------------|-------------|----------|
| <i>Fair value in thousands of EUR</i> | | | | | | |
| Direct Investments | | | | | | |
| Direct equity investments | 216'503 | Market comparable companies | Enterprise value to EBITDA multiple | 7.98x - 17.80x (13.60x) | 20'529 | (20'529) |
| | 18'757 | Discounted cash flow | Discount factor | 12.00% - 12.00% (12.00%) | 181 | (181) |
| | 318 | Exit price | Recent transaction price | n/a | n/a | n/a |
| | 46'496 | Recent financing/ transaction | Recent transaction price | n/a | n/a | n/a |
| | 473 | Market comparable companies | Enterprise value to sales multiple | 0.50x - 0.50x (0.50x) | 42 | (42) |
| Direct debt investments | 9'148 | Market comparable companies | Enterprise value to EBITDA multiple | 12.00x - 12.00x (12.00x) | n/a | n/a |
| | 29'336 | Broker quotes | Indicative quotes for an inactive market | n/a | n/a | n/a |
| | 6'663 | Third party valuation | Valuation appraisal | n/a | n/a | n/a |
| Indirect Investments | | | | | | |
| | 350'657 | Adjusted reported net asset value | Reported net asset value | n/a | 17'533 | (17'533) |
| | (1'700) | Adjusted reported net asset value | Fair value adjustments | n/a | (85) | 85 |

n/a - not meaningful as outlined in the note above

13.5 SIGNIFICANT UNOBSERVABLE VALUATION INPUT TABLE PREVIOUS REPORTING PERIOD

| Type of security | Fair value at 31.12.2017 | Valuation technique | Unobservable input | Range (weighted average) | Sensitivity | |
|---------------------------------------|--------------------------|-----------------------------------|--|-----------------------------|-------------|----------|
| <i>Fair value in thousands of EUR</i> | | | | | | |
| Direct Investments | | | | | | |
| Direct equity investments | 196'398 | Market comparable companies | Enterprise value to EBITDA multiple | 5.00x - 17.60x (13.05x) | 17'808 | (17'808) |
| | 15'496 | Discounted cash flow | Discount factor | 12.00% - 12.00% (12.00%) | 132 | (132) |
| | 5 | Exit price | Recent transaction price | n/a | n/a | n/a |
| | 26'605 | Recent financing/ transaction | Recent transaction price | n/a | n/a | n/a |
| Direct debt investments | 11'099 | Market comparable companies | Enterprise value to EBITDA multiple | 6.59x - 13.00x (11.76x) | n/a | n/a |
| | 40'062 | Broker quotes | Indicative quotes for an inactive market | n/a | n/a | n/a |
| Indirect Investments | | | | | | |
| | 348'954 | Adjusted reported net asset value | Reported net asset value | n/a | 17'448 | (17'448) |
| | 1'655 | Adjusted reported net asset value | Fair value adjustments | n/a | 83 | (83) |

n/a - not meaningful as outlined in the note above

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REALIZING POTENTIAL IN PRIVATE MARKETS

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